

## Legal Services Corporation

## § 1606.4

SOURCE: 43 FR 32770, July 28, 1978, unless otherwise noted.

### § 1606.1 Purpose.

By affording a recipient the opportunity for a timely, full, and fair hearing that will promote informed deliberation by the Corporation when there is reason to believe a grant or contract should be terminated, this part seeks to avoid unnecessary disruption in the delivery of legal assistance to eligible clients.

[43 FR 32770, July 28, 1978, as amended at 48 FR 54199, Nov. 30, 1983]

### § 1606.2 Definitions.

(a) *Termination* means a decision that financial assistance to a recipient will be permanently terminated in whole or in part prior to expiration of the recipient's current grant or contract.

(b) *Director of a recipient* means the person who has overall day-to-day responsibility for management of operations by the recipient.

(c) *Presiding Officer* means the person appointed by the President to recommend a decision that a grant or contract should be continued or terminated.

[43 FR 32770, July 28, 1978, as amended at 48 FR 54199, Nov. 30, 1983]

### § 1606.3 Grounds for termination.

A grant or contract may be terminated when:

(a) Termination is required by, or will implement a provision of law, a Corporation rule, regulation, guideline, or instruction that is generally applicable to all recipients of the same class or a funding policy, standard, or criterion approved by the Board, except that termination shall not be based on a Corporation rule, regulation, guideline, or instruction that was not in effect when the current grant was made or when the current contract was entered into; or

(b) There has been substantial failure by a recipient to comply with a provision of law, or a rule, regulation, or guideline issued by the Corporation, or a term or condition of a current or prior grant from contract with the Corporation. In the absence of unusual circumstances, a grant or contract shall

not be terminated for this cause unless the Corporation has given the recipient notice of such failure and an opportunity to take effective corrective action; or

(c) There has been substantial failure by a recipient to use its resources to provide economical and effective legal assistance of high quality as measured by generally accepted professional standards, the provisions of the Act, or a rule, regulation or guideline issued by the Corporation. In the absence of unusual circumstances, a grant or contract shall not be terminated for this cause unless the Corporation has given the recipient notice of such failure and an opportunity to take effective corrective action.

[48 FR 54199, Nov. 30, 1983]

### § 1606.4 Preliminary determination.

(a) When there is reason to believe that a grant or contract should be terminated, the Corporation shall serve a written preliminary determination upon the recipient, which shall state the grounds for the proposed action, and shall identify, with reasonable specificity, any facts or documents relied upon as justification for that action.

(b) The preliminary determination shall advise the recipient that it may, within 30 days of receipt of the preliminary determination, make written request for:

(1) A hearing under this part, or

(2) An informal conference under § 1606.5 of this part, with a subsequent right as there provided to request a hearing.

(c) The preliminary determination shall also advise the recipient of its right to receive interim, and to request termination, funding, under § 1606.17 or § 1606.18 of this part.

(d) If the recipient advises the Corporation that it will not request review, or if it fails to request review within the time prescribed in § 1606.4(b) or § 1606.5, the preliminary determination shall become final.

[43 FR 32770, July 28, 1978. Redesignated and amended at 48 FR 54199, Nov. 30, 1983; 50 FR 30713, July 29, 1985]